IT Initiative Supplement

February 25, 2010

I. Project Description

Project Title: Healthy Montana Kids (HMK)
Brief Description of the Project Title: In November 2008 Montana residents passed the Healthy Montana Kids Act. This act calls for the expansion and coordination of health coverage for children. The design, development, and implementation of the system to support this program are managed by the Technology Services Division (TSD).

Statewide Priority: 1
Agency Priority: 1
Estimated Completion Date: FY2012
IT Project Biennium: FY2010-11, FY2012
Request Number:
Version:

Agency Number: 6901
Agency Name: Department of Public Health and Human Services
Program Number:
Program Name: Health Resources Division

A. Type of Project (check all that apply)

Enhancement	**X**
Replacement	**X**
New	**X**
O&M	

B. Type of System (check all that apply)

Mid-Tier	**X**
Mainframe	
GIS	
Web	
Network	
Desktop	

II. Narrative

C. Executive Summary

Montana's HMK encompasses children covered by both Medicaid and CHIP. Montana is covering both populations under the HMK program, however, they are two distinctly different programs from a federal prospective, including rules and regulations and funding differences.

The policy changes related to HMK have been implemented and the CHIMES system has been updated for the Medicaid covered children. Currently the data for the CHIP covered children is housed in the KIDS system. One of the main pieces of the HMK legislation is to provide seamless coverage of children whose circumstances may cause them to move from one program to the other (from CHIP to Medicaid, for example). To accomplish this, the Department has decided to move all the children into the CHIMES system for both Medicaid and CHIP.

Project Purpose and Objectives:

The purpose of the HMK project is to ensure that we can meet the existing and new federal regulations for Medicaid and CHIP, as well as state regulations including the HMK legislation. In addition, we need to ensure that we provide excellent service to the beneficiaries of the HMK program and minimize any delays in providing them this necessary coverage.

While we are working on enhancements to the CHIMES system to be able to move the CHIP clients, we must also ensure the KIDS system remains functional and efficient. This may include some smaller enhancements to the system to ensure we remain compliant with our federal standards and regulations, including the recent CHIPRA authorization.

The primary objective of this project is to have all HMK programs in one system to ensure we meet the requirements and standards outlined for the program.

Technical Implementation Approach:

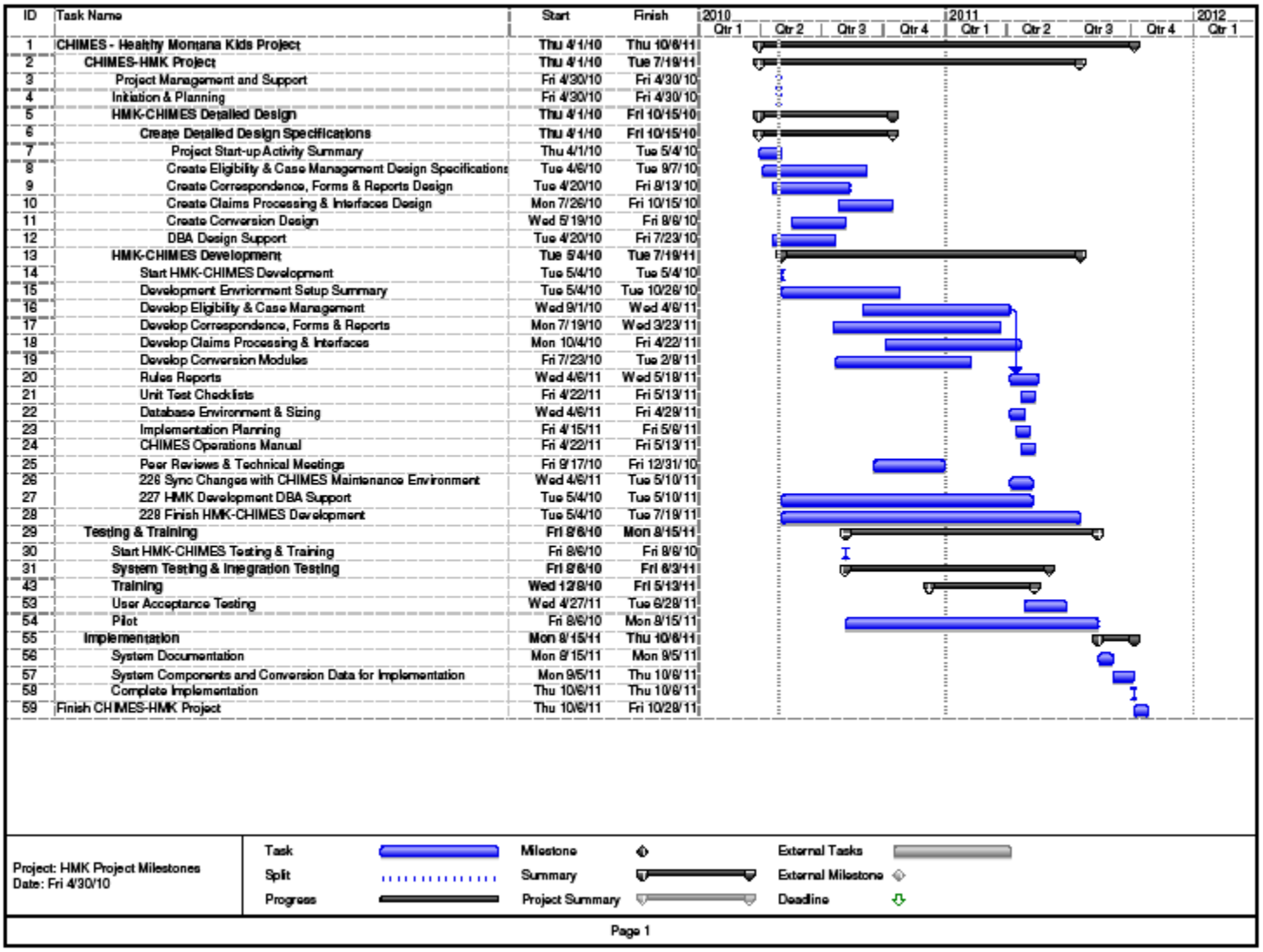
CHIMES-Medicaid was built using a modern multi-tier Java-based architecture. There are approximately 200 web pages which will be reviewed and modified as needed to bring the CHIP covered children into the system. It is likely that there will need to be new pages built. CHIMES is business rules driven so there will be many rules written specifically for these children. CHIMES provides automated eligibility determination that is facilitated by a Business Rules Engine (BRE) using ILOG's JRules product. The eligibility determination is cascading and will show all programs that a client is eligible for so that the worker can determine what best meets the child's needs. The relational database for CHIMES-Medicaid is Oracle 10g.

The technical architecture relies on the following components and technologies:

- An Oracle 10g database to persistently store application data.
- JBoss to serve as the web and application server (also sometime referred to as the "middle tier").

- Java, Second Edition, Enterprise Edition (J2EE) as the development and runtime environment, as well as to provide security-related functions in addition to those provided by the Oracle database and to be custom-developed for the system.
- JavaServer Pages as the technology to produce the dynamic User Interface (web pages) and to communicate between the user and the middle tier.
- Apache Struts, as the technology to provide the framework or underpinning for professional web-based Java development.
- Red Hat Hibernate as the technology to isolate and map the underlying Oracle relational database from the object-oriented Java development environment.
- ILOG JRules as the Business Rules Engine to perform all eligibility determination evaluations.
- XML and Adobe Acrobat as the technologies for correspondence and report generation.

Project Schedule and Milestones:



ID	Task Name	Start	Finish
1	CHIMES - Healthy Montana Kids Project	Thu 4/1/10	Thu 10/6/11
2	CHIMES-HMK Project	Thu 4/1/10	Tue 7/19/11
3	Project Management and Support	Fri 4/30/10	Fri 4/30/10
4	Initiation & Planning	Fri 4/30/10	Fri 4/30/10
5	HMK-CHIMES Detailed Design	Thu 4/1/10	Fri 10/15/10
6	Create Detailed Design Specifications	Thu 4/1/10	Fri 10/15/10
7	Project Start-up Activity Summary	Thu 4/1/10	Tue 5/4/10
8	Create Eligibility & Case Management Design Specifications	Tue 4/6/10	Tue 9/7/10
9	Create Correspondence, Forms & Reports Design	Tue 4/20/10	Fri 8/13/10
10	Create Claims Processing & Interfaces Design	Mon 7/26/10	Fri 10/15/10
11	Create Conversion Design	Wed 5/19/10	Fri 8/6/10
12	DBA Design Support	Tue 4/20/10	Fri 7/23/10
13	HMK-CHIMES Development	Tue 5/4/10	Tue 7/19/11
14	Start HMK-CHIMES Development	Tue 5/4/10	Tue 5/4/10
15	Development Environment Setup Summary	Tue 5/4/10	Tue 10/26/10
16	Develop Eligibility & Case Management	Wed 9/1/10	Wed 4/6/11
17	Develop Correspondence, Forms & Reports	Mon 7/19/10	Wed 3/23/11
18	Develop Claims Processing & Interfaces	Mon 10/4/10	Fri 4/22/11
19	Develop Conversion Modules	Fri 7/23/10	Tue 2/8/11
20	Rules Reports	Wed 4/6/11	Wed 5/18/11
21	Unit Test Checklists	Fri 4/22/11	Fri 5/13/11
22	Database Environment & Sizing	Wed 4/6/11	Fri 4/29/11
23	Implementation Planning	Fri 4/15/11	Fri 5/6/11
24	CHIMES Operations Manual	Fri 4/22/11	Fri 5/13/11
25	Peer Reviews & Technical Meetings	Fri 9/17/10	Fri 12/31/10
26	226 Sync Changes with CHIMES Maintenance Environment	Wed 4/6/11	Tue 5/10/11
27	227 HMK Development DBA Support	Tue 5/4/10	Tue 5/10/11
28	228 Finish HMK-CHIMES Development	Tue 5/4/10	Tue 7/19/11
29	Testing & Training	Fri 8/6/10	Mon 8/15/11
30	Start HMK-CHIMES Testing & Training	Fri 8/6/10	Fri 8/6/10
31	System Testing & Integration Testing	Fri 8/6/10	Fri 6/3/11
43	Training	Wed 12/8/10	Fri 5/13/11
53	User Acceptance Testing	Wed 4/27/11	Tue 6/28/11
54	Pilot	Fri 8/6/10	Mon 8/15/11
55	Implementation	Mon 8/15/11	Thu 10/6/11
56	System Documentation	Mon 8/15/11	Mon 9/5/11
57	System Components and Conversion Data for Implementation	Mon 9/5/11	Thu 10/6/11
58	Complete Implementation	Thu 10/6/11	Thu 10/6/11
59	Finish CHIMES-HMK Project	Thu 10/6/11	Fri 10/28/11

D. Business and IT Problems Addressed

This project will ensure we meet the legislatively mandated requirements for the HMK program.

E. Alternative(s)

Alternatives Considered:

DPHHS considered keeping the KIDS system and making enhancements to it to ensure compliance with HMK legislation. With the changes in eligibility meaning it would be more

likely for a child to go between the programs and the requirement for seamless eligibility it was determined that this was not a valid option.

No other options were considered.

Rationale for Selection of Particular Alternative:

It was the only way to ensure we would be in compliance with the HMK legislation.

F. Narrative Detail

The HMK program is an important program for Montana's children. To ensure the system changes are implemented as cost-effectively and efficiently as possible TSD will be managing the design, development, and implementation of the project.

III. Costs

G. Estimated Cost of Project:

Estimated Cost of Project	FY2010	FY2011	FY2012	FY2013	FY2014	FY2015	Total	2013 Bien
1. Personal Services - IT Staff							0	0
2. Personal Services - Non IT Staff							0	0
3. Contracted Services	728,623	1,260,000	1,525,622	833,400	833,400	833,400	6,014,445	2,359,022
4. ITSD Services							0	0
5. Hardware							0	0
6. Software							0	0
7. Telecommunications							0	0
8. Maintenance							0	0
9. Project Management							0	0
10. IV & V							0	0
11. Contingency							0	0
12. Training							0	0
13. Other							0	0
Total Estimated Costs	728,623	1,260,000	1,525,622	833,400	833,400	833,400	6,014,445	2,359,022

Total Funding:

IV. Funding

H. Funding

Total Funding

Fund		FY2010	FY2011	FY2012	FY2013	FY2014	FY2015	Total	
1.	02381	251,302	434,574	526,187	287,440	287,440	287,440	2,074,382	813,627
2.	03598	477,321	825,426	999,435	545,960	545,960	545,960	3,940,063	1,545,395

3.							0	0
4.							0	0
5.							0	0
6.							0	0
Total Estimated Costs	728,623	1,260,000	1,525,622	833,400	833,400	833,400	6,014,445	2,359,022

Cash/Bonded:

Bill Number:

V. Cost upon Completion

1. **Operating Costs upon Completion**
   This is an ongoing effort and does not have a completion date.

   FTE:

   Personal Services Costs:

   Operating Costs:

   Maintenance Expenses:

   Total Estimated Costs:

2. **Funding Recap**
   This is an ongoing effort and does not have a completion date.

   Fund Type:

   Amount:

   Total Funding:

V. Risk Assessment

A. Current IT Infrastructure Risks

1. Current application 10+ years old? __NO_
   Date of last major upgrade? KIDS – 2004 CHIMES - 2010

2. Current application is based on old technology? KIDS Yes, CHIMES NO
If yes, what is the current hardware platform, operating system, and programming languages used to support the application?

KIDS is written in ORACLE 91 and runs under an AIX operating system on IBM RS 6000 servers.

3. Is the agency not capable of maintaining the current application with internal technical staff? YES
If yes, who supports the application today?

Northrop Grumman has the contract for both KIDS and CHIMES

4. Other IT infrastructure risks? NO
If yes, provide further detail.

B. Current Business Risks

1. What are the risks to the state if the project is not adopted?

DPHHS would not be in compliance with the HMK legislation.

2. Does the current application meet current business requirements? NO
If "no", what specific business functions does the application lack?

With the two applications (KIDS and CHIMES) it is impossible to meet the legislative requirement of seamless eligibility.

C. Project Risk Assessment

1. Describe any major obstacles to successful implementation and discuss how those obstacles will be mitigated.

Table H Risk Assessment

Description	Severity (H/M/L)	Probability of Occurrence (%)	Estimated Cost	Mitigation Strategy